



EXPANDING THE POSSIBILITIES

Executive Summary

underpaid & overloaded: women in low-wage jobs

ABOUT THE CENTER

The National Women's Law Center is a non-profit organization whose mission is to expand the possibilities for women and their families by working to remove barriers based on gender, open opportunities, and help women and their families lead economically secure, healthy, and fulfilled lives—with special attention to the needs of low-income women and their families.

For more information about the National Women's Law Center or to make a tax-deductible contribution to support the Center's work, please visit: www.nwlc.org or call the Development office at 202-588-5180.

ACKNOWLEDGMENTS

This report was a collaborative effort that relied upon the work of many individuals. The primary authors are Joan Entmacher, Vice President for Family Economic Security; Lauren Frohlich, Policy Fellow; Katherine Gallagher Robbins, Senior Policy Analyst; Emily Martin, Vice President and General Counsel; and Liz Watson, Senior Counsel and Director of Workplace Justice for Women. They were greatly assisted by other National Women's Law Center staff, including Helen Blank, Nancy Duff Campbell, Karen Davenport, Fatima Goss Graves, Marcia D. Greenberger, Elizabeth Johnston, Karen Schneider, Karen Schulman, Judy Waxman, and Emily Werth. Beth Stover, Graphic and Web Designer, designed the report. The report was made possible by the generous support for the National Women's Law Center's work to address challenges facing women in the low-wage workforce provided by the Annie E. Casey Foundation, Ford Foundation, Moriah Fund, Morningstar Foundation, New Directions Foundation, and an anonymous funder.

Executive Summary

OVER THE PAST FOUR DECADES, women's work experience and educational attainment have increased dramatically.¹ Although women have better credentials than ever before,² the job and income prospects for many are bleak. Women make up two-thirds of the nearly 20 million workers in low-wage jobs³—defined in this report as jobs that typically pay \$10.10 per hour or less—although they make up slightly less than half of the workforce as a whole.

The low-wage workforce includes jobs such as home health aides, child care workers, fast food workers, restaurant servers, maids, and cashiers.⁴ The work is hard and necessary, but the pay is inadequate. At \$10.10 per hour, a full-time, year-round worker earns \$20,200 annually—barely above the poverty line for a mother with two children.⁵ Many of the workers in these jobs are paid the minimum wage of \$7.25 per hour; at that rate, a full-time, year-round worker would earn just \$14,500—thousands of dollars below the poverty line for a family of three.⁶

Women's concentration in low-wage jobs has increased in recent years—and the trend is likely to continue. More than one-third (35 percent) of women's net job gains during the recovery from the Great Recession have been in jobs that typically pay \$10.10 per hour or less; only 20 percent of men's job gains have been in such low-wage jobs.⁷ The share of women workers who hold low-wage jobs increased by more than six percent between 2007, the year before the recession, and 2012,⁸ despite women's continued advances in education.⁹ And disproportionately strong growth in low-wage, female-dominated jobs is projected for the future. Of the 20 jobs predicted to add the largest numbers of workers between 2012 and 2022, five are low-wage, typically paying less than \$10.10 per hour—and all of these low-wage jobs are female-dominated.¹⁰ Another nine of these 20 high-growth jobs pay between \$10.10 per hour and the median wage of \$16.71 per hour—and five of these jobs are female-dominated.¹¹

KEY FACTS

- Women make up two-thirds of the nearly 20 million workers in the low-wage workforce—though they make up less than half of all workers.
- Even in low-wage jobs that typically pay \$10.10 per hour or less, women working full time, year round face a 13 percent wage gap—and the gap is even larger for African American and Hispanic women when compared to white, non-Hispanic men.

Women's shares of the low-wage workforce are larger than their male counterparts'—though women's shares of the overall workforce are almost always similar or smaller:

- Women with some college or an associate's degree make up more than twice as large a share of the low-wage workforce as their male counterparts (22 percent v. 10 percent), even though their shares of the overall workforce are similar (15 percent for women v. 14 percent for men).
- Women age 50 and older make up more than three times as large a share of the low-wage workforce as their male counterparts (17 percent v. 5 percent), even though their shares of the overall workforce are similar (16 percent for older women v. 17 percent for older men).
- Mothers make up 3.5 times as large a share of the low-wage workforce as do fathers (21 percent v. 6 percent), even though their shares of the overall workforce are similar (16 percent for mothers v. 17 percent for fathers).

KEY FACTS CONT.

Women's shares of the low-wage workforce are almost always larger than their shares of the overall workforce. For men, this is rarely true:

- Women with only a high school degree are 24 percent of the low-wage workforce, double their share of the overall workforce (12 percent). Men with only a high school degree are underrepresented in the low-wage workforce: they are 12 percent of the low-wage workforce, 0.8 times their share of the overall workforce (15 percent).
- Single women's share of the low-wage workforce (43 percent) is nearly double their share of the overall workforce (23 percent). Single men's share of the low-wage workforce is similar to their share of the overall workforce (25 percent v. 23 percent).
- African American women's share of the low-wage workforce (12 percent) is double their share of the overall workforce (6 percent). African American men's shares of the low-wage and overall workforces are the same at 5 percent.
- The only group of women that is underrepresented in the low-wage workforce is women with a bachelor's degree or higher: they are 5 percent of the low-wage workforce, about one-third of their share of the overall workforce (17 percent). However, men with a bachelor's degree or higher are even more underrepresented in the low-wage workforce: they are 3 percent of the low-wage workforce, about one-sixth of their share of the overall workforce (18 percent).
- In contrast, only a few groups of men, including men without a high school degree, young men (age 16-24), and Hispanic men, are overrepresented in the low-wage workforce compared to their share of the overall workforce—and even in these groups, men are overrepresented to a lesser extent than their female counterparts.

Among women in the low-wage workforce:

- Nearly half are women of color.
- Nearly four out of five have at least a high school degree.
- Half work full time.
- Close to one-third are mothers—and 40 percent of them have family incomes below \$25,000.
- More than one-quarter are age 50 and older—about the same share of the female low-wage workforce as women age 16 to 24 .

Notes: The “low-wage workforce” is defined here as occupations with median wages of \$10.10 or less per hour based on Bureau of Labor Statistics, Occupational Employment Statistics. Worker characteristics are National Women's Law Center calculations based on Current Population Survey (CPS) 2013 using Miriam King et al., *Integrated Public Use Microdata Series (IPUMS), Current Population Survey: Version 3.0* [Machine-readable database] (Minneapolis: University of Minnesota, 2010). Figures are for employed workers unless otherwise noted.

Women's overrepresentation in low-wage jobs is a particular concern today because families' reliance on women's earnings has increased dramatically over the past 40 years.¹² Working mothers are primary breadwinners in 41 percent of families with children, and they are co-breadwinners—bringing in between 25 percent and 50 percent of family earnings—in another 22 percent of these families.¹³ At the same time, women still shoulder the majority of caregiving responsibilities.¹⁴ And the characteristics of low-wage jobs pose particular challenges to women as both breadwinners and caregivers.

This analysis focuses on the role of gender in the low-wage workforce, using data on worker characteristics from the Current Population Survey and American Community Survey and data on median hourly wages for occupations from the Bureau of Labor Statistics' Occupational Employment Statistics. It reveals a stark reality: regardless of their education level, age, marital or parental status, race, ethnicity, or national origin, women make up larger shares of the low-wage workforce than do their male counterparts. This pattern holds in each of these groups, even though in virtually all of them women represent a similar or smaller share of the overall workforce than their male counterparts.¹⁵ Looking at the data another way, comparing women's and men's shares of the low-wage workforce to their respective shares of the overall workforce, nearly every group of women is overrepresented in the low-wage workforce; for men, this is rarely true.

The existence of a wage gap between women and men at every education level has been well documented.¹⁶ However, the finding that in this day and age, women need a bachelor's degree to avoid being overrepresented in low-wage jobs—while men only need to finish high school—is startling. Moreover, even in these low-wage jobs, women working full time, year round face a 13 percent wage gap, and the gap is even larger for African American and Hispanic women when compared to white, non-Hispanic men.

The overrepresentation of women in low-wage jobs occurs across the country. In every state, at least six in ten low-wage workers are women, even though women make

up half or less of the overall workforce in every state. Women make up at least twice as large a share of the low-wage workforce as men in all but three states and the District of Columbia—and in nine states, women's share of the low-wage workforce is more than 2.5 times that of men.

This report also provides a profile of the women who work in low-wage jobs. Nearly half are women of color. Half work full time—and nearly one in five is poor. Nearly one-third are mothers—and 40 percent of mothers in the low-wage workforce have family incomes below \$25,000. More than one-quarter of the women working in low-wage jobs are age 50 and older; they make up nearly the same share of the female low-wage workforce as women age 16 to 24.

Women need a bachelor's degree to avoid being overrepresented in low-wage jobs—while men only need to finish high school.

Low earnings are just one of the challenges workers in low-wage jobs face. These jobs often lack basic benefits such as paid sick leave,¹⁷ and, while the Affordable Care Act (ACA) has significantly improved women's access to affordable health insurance, workers in these jobs may still face barriers to health insurance coverage¹⁸ and services they need, including reproductive health care services. Mothers struggle to afford the safe and stable child care they need to be able to work—much less the high-quality child care their children need to be successful in school.¹⁹ Women working in low-wage jobs, especially women of color, often face discrimination and harassment.²⁰ They also can be subject to unpredictable and inflexible work schedules, which are particularly difficult for workers balancing family or school responsibilities or trying to hold down a second job to make ends meet.²¹ Taken together, these challenges create significant obstacles to moving out of low-wage work and into good jobs that can sustain a family.

The predominance of women in low-wage jobs makes clear that an economic agenda that works for women must address the particular needs of low-wage workers—and an

economic agenda that works for low-wage workers must address the particular needs of women. Moreover, jobs that typically pay low wages, such as home care aides who provide critical services to an expanding elderly population, are a critical and growing part of our economy. Ensuring that workers in those jobs are treated fairly and can provide for their families is vital not only for them, but for the nation as a whole.

THIS REPORT OUTLINES AN AGENDA TO ADDRESS THE NEEDS OF WOMEN IN LOW-WAGE JOBS BY:

- **increasing economic security** through a combination of higher wages—starting with raising the minimum and tipped minimum wages—and other supports, such as the Earned Income Tax Credit, affordable health insurance, nutrition and housing assistance, and removing restrictions on women's access to reproductive health care;
- **supporting workers with family responsibilities** by expanding access to child care assistance and early education, curbing abusive scheduling practices, and ensuring paid sick days and paid family leave;
- **removing barriers to opportunity** by strengthening and enforcing protections against all forms of employment discrimination and providing a path to citizenship for immigrants who are particularly vulnerable to discrimination;
- **creating pathways to opportunity** by making higher education more affordable, enforcing legal protections for pregnant and parenting students and increasing student-parents' access to child care, and expanding women's access to higher-paying, nontraditional fields; and
- **strengthening opportunities for collective action**, including supporting organizing and collective bargaining through traditional unions and collective action by new worker justice organizations.

These policies will not only improve the lives of workers in low-wage jobs—women and men—and their families, but will make our economy stronger for everyone.

**These policies will not only improve the lives of workers in low-wage jobs—
women and men—and their families, but will make our economy
stronger for everyone.**

Endnotes

- 1 The share of women in the labor force increased from 43.9 percent in 1972 to 57.7 percent in 2012. U.S. BUREAU OF LABOR STATISTICS, BLS REPORTS NO. 1049, WOMEN IN THE LABOR FORCE: A DATABOOK 10-14 (May 2014), available at <http://www.bls.gov/cps/wlf-databook-2013.pdf>. The share of women 25 and older who have completed four years of college or more increased from 9.0 percent in 1972 to 31.4 percent in 2013. U.S. Census Bureau, Educational Attainment, CPS Historical Time Series Tables, Table A-2. Percent of People 25 Years and Over Who Have Completed High School or College, by Race, Hispanic Origin and Sex: Selected Years 1940 to 2013, <http://www.census.gov/hhes/socdemo/education/data/cps/historical/>.
- 2 This is based on the share of women 25 and older who have completed four years of college or more. See CPS Historical Time Series Table A-2, *supra* note 1.
- 3 National Women's Law Center calculations based on Current Population Survey, Annual Social and Economic Supplements (CPS-ASEC) for 2013 using Miriam King et al., *Integrated Public Use Microdata Series, Current Population Survey: Version 3.0* [Machine-readable database] (Minneapolis: University of Minnesota, 2010). The "low-wage workforce" is comprised of workers in "low-wage occupations," which are detailed occupations with median hourly wages of \$10.10 per hour or less nationally based on the Bureau of Labor Statistics' Occupational Employment Statistics. Bureau of Labor Statistics, Occupational Employment Statistics, May 2013 National Occupational Employment and Wage Estimates United States, http://www.bls.gov/oes/current/oes_nat.htm. All figures are for all employed workers unless otherwise noted.
- 4 "Low-wage jobs" and "low-wage workforce" could be defined in different ways; this analysis uses a typical hourly wage of \$10.10 or less per hour because \$10.10 is the proposed new federal minimum wage in the Fair Minimum Wage Act pending in Congress. S. 460, H.R.1010, 113th Cong. (2013).
- 5 National Women's Law Center calculation assuming 40 hours per week, 50 weeks per year. The federal poverty level for 2014 for a family of three is \$19,790. U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, 2014 Poverty Guidelines, <http://aspe.hhs.gov/poverty/14poverty.cfm>.
- 6 *Id.*
- 7 National Women's Law Center calculations compare women and men in the low-wage workforce in 2009 and 2012 based on Current Population Survey, Annual Social and Economic Supplements (CPS-ASEC) for 2010 and 2013 using Miriam King et al., *Integrated Public Use Microdata Series, Current Population Survey: Version 3.0* [Machine-readable database] (Minneapolis: University of Minnesota, 2010).
- 8 National Women's Law Center calculations based on Current Population Survey, Annual Social and Economic Supplements (CPS-ASEC) for 2008 through 2013 using Miriam King et al., *Integrated Public Use Microdata Series, Current Population Survey: Version 3.0* [Machine-readable database] (Minneapolis: University of Minnesota, 2010). Low-wage occupations comprised 18.3 percent of the female workforce in 2007, compared to 19.4 percent in 2012.
- 9 Over the same period, the share of women with a bachelor's degree or higher increased nine percent, the share with only some college or an associate's degree increased two percent, and the share with only a high school diploma or with no high school diploma declined by five percent and eleven percent, respectively. National Women's Law Center calculations based on U.S. Census Bureau, Current Population Survey (CPS), CPS Table Creator, <http://www.census.gov/cps/data/cpstablecreator.html>. Figures are for individuals 25 and older. Throughout this report "high school diploma" includes its equivalent, passing the General Education Development (GED) tests.
- 10 National Women's Law Center calculations based on Bureau of Labor Statistics, Employment Projections, Table 1.4: Occupations with the most job growth, 2012 and projected 2022, http://www.bls.gov/emp/ep_table_104.htm (last visited Dec. 19, 2013). Median hourly wages were calculated by dividing median annual salary by 2,080 hours (the number of hours of full-time, year-round work), the same method of calculation used by the Occupational Employment Statistics (OES). Median hourly wages for these positions match those reported by the OES for 2012 when median hourly wages are available. See Bureau of Labor Statistics, Occupational Employment Statistics, May 2012 National Occupational Employment and Wage Estimates United States, http://www.bls.gov/oes/2012/may/oes_nat.htm. For some occupations OES does not publish median hourly wages, in which case they are calculated here by the process described. Female-dominated jobs are defined as occupations in which 60 percent or more of the workers are women. The share of workers who are female comes from Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, Household Data, Annual Averages, Table 11: Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity, <http://www.bls.gov/cps/cpsaat11.htm> (last visited Dec. 19, 2013). In some instances the share of women in a detailed occupation was not available, in which case the broader level of occupation was used.
- 11 *Id.* In total, 14 of the 20 occupations pay less than the median hourly wage of \$16.71 per hour and 13 of the 20 jobs are female-dominated.
- 12 The share of mothers who are breadwinners or co-breadwinners has increased from 27.5 percent in 1967 to 63.3 percent in 2012. SARAH JANE GLYNN, CENTER FOR AMERICAN PROGRESS, BREADWINNING MOTHERS, THEN AND NOW 6 (June 2014), available at <http://cdn.americanprogress.org/wp-content/uploads/2014/06/Glynn-Breadwinners-report-FINAL.pdf>.
- 13 *Id.*
- 14 KENNETH MATOS & ELLEN GALINSKY, FAMILIES AND WORK INSTITUTE & SOCIETY FOR HUMAN RESOURCE MANAGEMENT, WORKPLACE FLEXIBILITY IN THE UNITED STATES: A STATUS REPORT 1 (2011), available at <http://familiesandwork.org/downloads/WorkplaceFlexibilityinUS.pdf>; see also OXFAM AMERICA, HARD WORK, HARD LIVES: SURVEY EXPOSES HARSH REALITY FACED BY LOW-WAGE WORKERS IN THE US 7 (2013), available at <http://www.oxfamamerica.org/static/oa4/low-wage-worker-report-oxfam-america.pdf>. In 2013 women spent nearly twice as much time caregiving as men did: women spent an hour a day on caregiving (55 minutes, on average) compared to about half an hour (32 minutes, on average) for men. National Women's Law Center calculations based on Bureau of Labor Statistics, American Time Use Survey, Table 1. Time spent in primary activities (1) and percent of the civilian population engaging in each activity, averages per day by sex, 2013 annual averages, <http://www.bls.gov/news.release/atus.t01.htm>. Figures are for all individuals and include caring for and helping household and nonhousehold members.
- 15 The exception is among African American workers. African American women are slightly overrepresented in the overall workforce compared to African American men, though African American women's overrepresentation in the low-wage workforce is dramatically larger—African American women's share of the overall workforce (6.1 percent) is 1.2 times larger than African American men's (5.1 percent), but their share of the low-wage workforce (11.6 percent) is 2.3 times larger than African American men's share of the low-wage workforce (5.0 percent).
- 16 NATIONAL WOMEN'S LAW CENTER, 50 YEARS & COUNTING: THE UNFINISHED BUSINESS OF ACHIEVING FAIR PAY 2 (2013), available at http://www.nwlc.org/sites/default/files/pdfs/final_nwlc_equal_pay_report.pdf.
- 17 CLAUDIA WILLIAMS ET AL., INSTITUTE FOR WOMEN'S POLICY RESEARCH, 44 MILLION U.S. WORKERS LACKED PAID SICK DAYS IN 2010: 77 PERCENT OF FOOD SERVICE WORKERS LACKED ACCESS (Jan. 2011), available at <http://www.iwpr.org/publications/pubs/44-million-u.s.-workers-lacked-paid-sick-days-in-2010-77-percent-of-food-service-workers-lacked-access>. Seventy-seven percent of workers in food preparation and service jobs and 62 percent of workers in personal care and service occupations lacked access to paid sick days.
- 18 LINDA J. BLUMBERG, THE URBAN INSTITUTE, EMPLOYER-SPONSORED HEALTH INSURANCE AND THE LOW-INCOME WORKFORCE: LIMITATIONS OF THE SYSTEM AND STRATEGIES FOR INCREASING COVERAGE (2007), available at http://www.urban.org/UploadedPDF/411536_employer-sponsored_insurance.pdf.

- 19 U.S. Census Bureau, Child Care, Who's Minding the Kids? Child Care Arrangements: 2011 – Detailed Tables, Table 6. Average Weekly Child Care Expenditures of Families with Employed Mothers that Make Payments, by Age Groups and Selected Characteristics: Spring 2011, <http://www.census.gov/hhes/childcare/data/sipp/2011/tables.html>. Families in poverty who pay for child care and have working mothers spend nearly a third (30 percent) of their income on that care—and childcare expenditures represent 38 percent of mothers' earnings, on average. Low-income families—between 100 and 200 percent of poverty—who pay for child care and have working mothers spend 18 percent of their income on child care. For these families, childcare expenditures represent 28 percent of mothers' earnings, on average.
- 20 FATIMA GOSS GRAVES ET AL., NATIONAL WOMEN'S LAW CENTER, REALITY CHECK: SEVENTEEN MILLION REASONS LOW-WAGE WORKERS NEED STRONG PROTECTIONS FROM HARASSMENT (2014), available at http://www.nwlc.org/sites/default/files/pdfs/final_nwlc_vancereport2014.pdf.
- 21 LIZ WATSON, LAUREN FRÖHLICH & ELIZABETH JOHNSTON, NATIONAL WOMEN'S LAW CENTER, COLLATERAL DAMAGE: SCHEDULING CHALLENGES FOR WORKERS IN LOW-WAGE JOBS AND THEIR CONSEQUENCES (Apr. 2014), available at http://www.nwlc.org/sites/default/files/pdfs/collateral_damage_scheduling_fact_sheet.pdf.



11 Dupont Circle, Suite 800
Washington, DC 20036
202.588.5180 | fax 202.588.5185
www.nwlc.org